

Cranberry Creek

Financial and Technical Assistance Plan



Developed through the Federal Brownfields Partnership
Mine-Scarred Lands Initiative

Cranberry Creek Financial and Technical Assistance Plan

Prepared for: Brownfields Federal Partnership Mine-Scarred Lands Initiative

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OVERVIEW

The Cranberry Creek Gateway Park site, located near the City of Hazleton, Pennsylvania, is one of six national Mine-Scarred Lands Revitalization Demonstration Projects. An interagency effort to explore opportunities for multiple federal and state agencies to coordinate and collaborate on the cleanup and redevelopment of mine-scarred lands, the Mine-Scarred Lands Initiative is supporting the Cranberry Creek Gateway Park Project (Cranberry Creek project) by developing a financial and technical assistance plan for cleanup, reclamation, and beneficial reuse of the 360-acre coal mining property known as the Cranberry Creek Gateway Park site. Ideally, this financial and technical assistance plan will serve as a model for other communities seeking to reclaim and reuse former mining properties.

The financial and technical assistance plan is intended to serve as a targeted strategy that details how the Cranberry Creek project can optimize the available mix of federal, state, and local technical assistance and financial resources to reclaim and reuse the site. The availability of these resources to offset project costs and enhance project activities will help the Cranberry Creek Board of Directors establish and implement a definitive redevelopment plan. The financial and technical assistance plan is organized as follows:

- 1.0 Approach to Establishing the Plan
- 2.0 Financial and Technical Assistance Timetable
- 3.0 Project Specific Activities and Strategies
- 4.0 Federal, State, and Local Programs Matrix for Mine-Scarred Lands Revitalization in Pennsylvania
- 5.0 Program Funding Examples

1.0 Approach to Establishing the Plan

In preparing the plan, the Federal MSL Working Group contracted with SRA (a community and land revitalization consulting firm) and the National Association of Local Government Environmental Professionals (NALGEP) to work closely with the Cranberry Creek Board to develop the plan. The approach includes the following elements:

- **Background research:** Conducted internet and literature research of various federal, state, and local programs that are applicable to economic development and mine-scarred lands revitalization.
- **Interviews with Program Representatives:** Identified key members of each program and conducted in-person or telephone interviews to gain more knowledge about the specifics of the programs and its application the Cranberry Creek project.
- **Technical and Financial Assistance Workshop:** Organized and facilitated a workshop in Hazleton, Pennsylvania on May 23, 2006 to familiarize federal, state, and local representatives with the Cranberry Creek project and discuss specific programs and resources that are applicable to future reclamation and redevelopment activities, and discuss key next steps.

- ***Development of a Targeted Funding and Technical Assistance Strategy:*** Prepared this document that summarizes and focuses funding and technical assistance information based on the specific needs and timeframes of the Cranberry Creek project.

2.0 Financial and Technical Assistance Timetable

The various activities for the Cranberry Creek project can be divided into three broad phases. As the Cranberry Creek project moves forward, the following activities will require funding and technical assistance. The timetable is organized in quarter years starting in Quarter 3 of 2007 and ending in Quarter 3 in 2009 (QR 1: January – March; QR 2: April – June; QR 3: July – September; QR 4: October – December).

Phase I: Restoration and Reclamation of the Site (QR 3, 2006 – QR 4, 2008)

- *Site Reclamation and Compaction*
- *Cleanup*
- *Creek Restoration*

Phase II: Planning for the Future of the Site (QR 3, 2006 – QR 1, 2008)

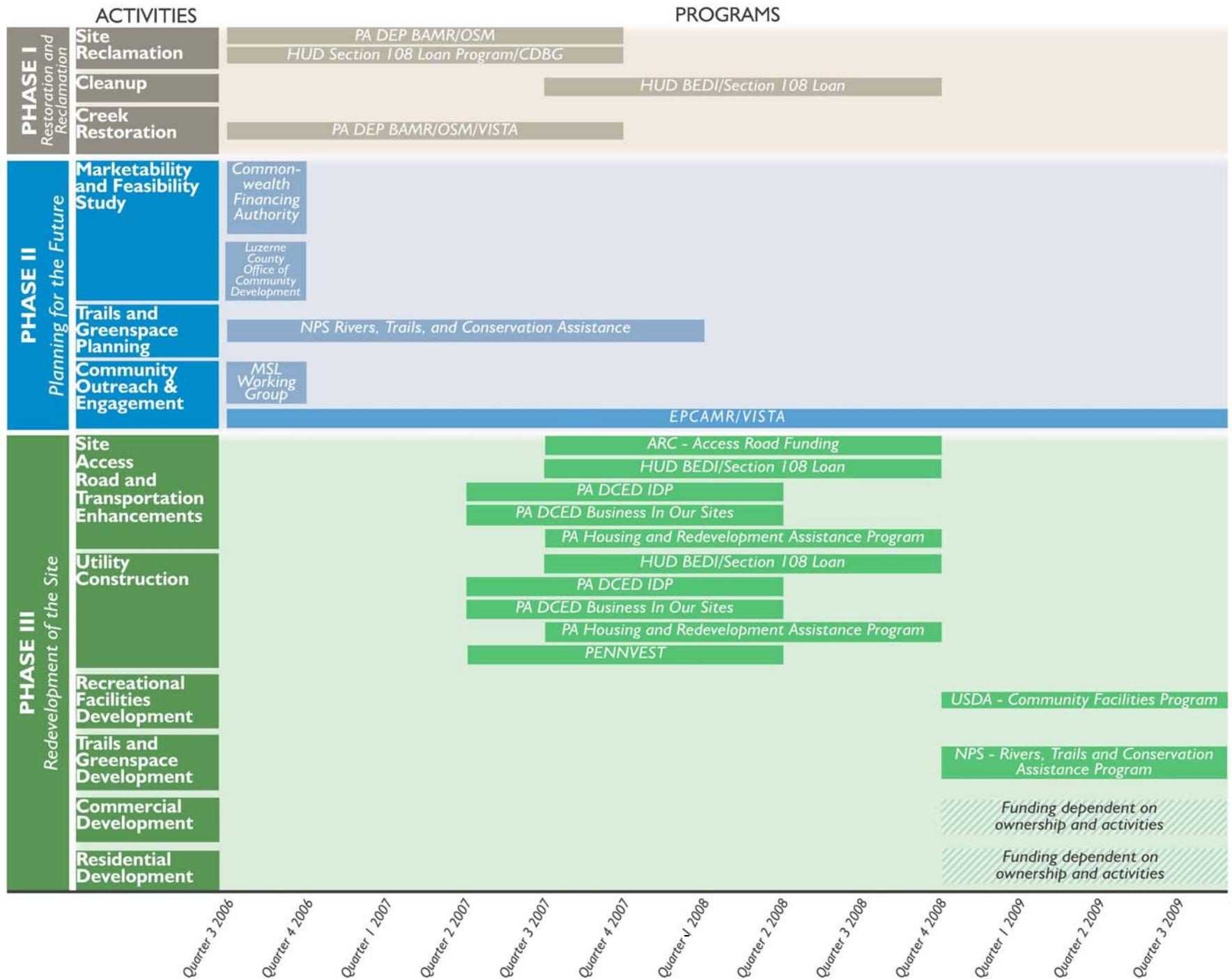
- *Marketability and Feasibility Study*
- *Trails and Greenspace Planning*
- *Community Outreach and Engagement*

Phase III: Redevelopment of the Site (QR 2, 2007 – QR 3, 2009)

- *Site Access Road and Transportation Enhancements*
- *Utility Construction*
- *Recreational/Entertainment Facilities Development*
- *Trails and Greenspace Development*
- *Residential Development*
- *Commercial Development*

The financial and technical assistance plan includes a timetable that displays the federal or state agency resource associated with each activity. The timetable, located on page 4, provides a guide for applying for and utilizing financial and technical assistance resources. Only the programs that have been identified as a strong fit for the Cranberry Creek project are included in the timetable. As explained in Section 3, other programs may be pursued to meet the project's needs. Funding and technical assistance opportunities and programs displayed in the timetable represent timeframes for utilizing the resources, not the timeframes for applying. In addition, funding programs may be listed multiple times in the timetable but it is assumed only one grant or loan would be prepared to cover multiple activities. Specific information on application schedules and funding levels is provided in Section 4.0.

Cranberry Creek Financial and Technical Assistance Timetable



3.0 Project Specific Activities and Strategies

As determined through research of relevant financial and technical assistance programs and the discussions that occurred at the May 23, 2006 workshop, a range of assistance programs are available to the Cranberry Creek project. The Cranberry Creek project is organized in the three broad phases and accompanying activities identified in the timetable. Funding and technical assistance programs are organized in terms of their relationship to the Cranberry Creek project activities. Each need is briefly described and various federal, state, and local funding and technical assistance sources are listed. Those sources that present the highest opportunity for the Cranberry Creek project are signaled with a check mark (and represented in the timetable in Section 2.0). Given the available funding and technical assistance programs, the recommended approach, next steps, and timing considerations are presented for each funding need. This funding and technical assistance strategy assumes some level of local and private investment and that state and federal resources will support only portions of the Cranberry Creek redevelopment project.

Phase 1: Restoration and Reclamation of the Site (QR 3, 2006 – QR 4, 2008)

The first phase of site redevelopment will involve addressing the restoration and reclamation activities for the site. These activities will help prepare the site for future redevelopment to be outlined in the feasibility study.

Site Reclamation and Compaction: This activity involves addressing the site's past mining and quarry uses through reclamation and creek restoration and addressing future development opportunities through compaction of reclaimed areas where building is likely to occur. Due to the cost differences of performing compaction in tandem with reclamation, this activity may be the most urgent for securing funding.

Possible Funding and Technical Assistance Sources	<ul style="list-style-type: none"> ✓ PA BAMR/OSM Reclamation Funds ✓ HUD Section 108 Loan Program/CDBG • PA DCED – Industrial Sites Reuse Program • PA DCED – Growing Greener Funds • OSM/VISTAs for Acid Mine Drainage
Recommended Approach	To avoid costly post-reclamation compaction costs, combine the \$2.5 million reclamation and creek restoration contracted by BAMR/OSM with funds to allow for compaction (e.g., HUD Section 108/CDBG) of portions of the site targeted for redevelopment.
Next Steps	<ul style="list-style-type: none"> • Engage the BAMR's site reclamation contractor to determine the possibility of combining compaction with reclamation. • Request that the site development consultants determine the most likely areas for development. • Generate estimated funding for compaction of those areas. • Set up initial meeting between CAN DO and EPCAMR to seek an OSM/VISTA position for Cranberry Creek. • Explore the following options for funding the estimated \$500,000 to \$1 million compaction costs: <ul style="list-style-type: none"> ▪ Meet with Luzerne County Community Development Department and HUD on the use of a Section 108 Loan to finance compaction costs for 1-3 year period before revenues are generated to pay back the Section 108 loan. County CDBG funds could be used to pay 108 Loan interest during 1-3 year period. ▪ Meet with Luzerne County Commissioners regarding the availability of Growing Greener funds and funding priorities for the current funding cycle. ▪ Investigate use of PA DCED Industrial Sites Reuse Program funds for compaction activities. Meet with PA DCED representative Scott Dunkelberger to discuss program.

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Timing Considerations	<ul style="list-style-type: none"> Given the dramatic cost savings of performing compaction in tandem with reclamation, it is critical that additional funds for compaction be secured to supplement BAMR's contractor so that compaction can be integrated into the 500+ day timetable for site reclamation. Using Section 108 and/or CDBG presents a flexible, time-responsive form of gap financing. Secure compaction funding by July 15, 2006. BAMR funds have already been allocated to this project. Restoration activities run from June, 2006, through December, 2007. No set timeframes for PA DCED programs as applications are accepted on a rolling basis. Application submitted to DCED will be reviewed within 30 days. No set application timeframes for Section 108 Loan program.
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Cleanup: CAN DO has already incurred the cleanup costs for the property. However, if additional environmental cleanup of contaminated soils is needed on portions of the site, several other funding and technical assistance sources may be pursued.

Possible Funding and Technical Assistance Sources	<ul style="list-style-type: none"> HUD Brownfields Economic Development Initiative (BEDI) and Section 108 Loan Luzerne County CDBGs DEP Growing Greener funds (Watershed Grants)
Recommended Approach	Define contaminated areas and design a cleanup approach that takes into account future land use and redevelopment needs. Upon completion of the feasibility study, pursue HUD BEDI funding for additional site cleanup, if needed, and other economic development enhancements (e.g., parking facilities, infrastructures).
Next Steps	<ul style="list-style-type: none"> Schedule a meeting with Luzerne County, HUD, and CAN DO in November of 2006 to discuss the site development plan (based on the feasibility study) and the appropriate activities for BEDI/Section 108 Loan Funds. Explore the mechanics of the Section 108 loan component of BEDI funding including CDBG pledge requirements by Luzerne County.
Timing Considerations	<ul style="list-style-type: none"> BEDI Applications are typically due in the May to July timeframe of each year. If application preparations are made beginning in November of 2006, a sound BEDI application can be developed and submitted in 2007. Meet with Luzerne County Commissioners regarding the availability of Growing Greener funds and funding priorities for future funding cycles.

Creek Restoration: Creek restoration activities have begun on the southeastern portion of the site and will continue through the northern portion. Creek restoration activities and associated funding sources will primarily come from state agencies.

Possible Funding and Technical Assistance Sources	<ul style="list-style-type: none"> ✓PA BAMR ✓EPCAMR
Recommended Approach	Rely on existing relationship with PADEP BAMR and associated expertise to conduct creek restoration activities to restore the creek bed to historic placement. Supplement BAMR efforts with broader acid-mine drainage cleanup efforts supported by OSM/VISTA.
Next Steps	<ul style="list-style-type: none"> Discuss possibility of EPCAMR helping with innovative designs for acid-mine drainage system. Set up initial meeting between CAN DO and EPCAMR to seek an OSM/VISTA position for Cranberry Creek.
Timing Considerations	BAMR funds have already been allocated to this project. Restoration activities run from June, 2006, through December, 2007.

Phase II: Planning for the Future of the Site (QR 3, 2006 – QR 1, 2008)

Planning for the future of the site will occur concurrently with ongoing reclamation, compaction, and creek restoration activities. The most critical planning activities will conclude in Quarter 4 of 2006 with the completion of the feasibility study.

Marketability and Feasibility Study: The current Cranberry Creek marketability and feasibility study will characterize market conditions, solidify feasible development options, and establish a business-oriented strategic plan for marketing and developing the Cranberry Creek site. During the marketability and feasibility study, alternative concept plans will be created to help establish reuse concepts and ultimately a definitive development plan for the site. The financial and technical assistance information outlined in this plan should be combined with the results of the marketability and feasibility study to provide a clear strategy for moving forward with redevelopment.

Possible Funding and Technical Assistance Sources	<ul style="list-style-type: none"> ✓ Commonwealth Financing Authority ✓ Luzerne County Office of Community Development
Recommended Approach	The marketability and feasibility team (SRA) will finalize the marketability and feasibility study by October 2006 and a definitive development plan will be established.
Next Steps	<ul style="list-style-type: none"> • Cranberry Creek Board of Directors will review the marketability analysis and alternative concept plans and prioritize a plan. • Site marketability will be analyzed. • Preferred development concepts will be determined. • The results of the marketability and feasibility study will be presented to federal, state, and local partners as follow-up to the May 23rd meeting. • The approved business (strategic) plan will be marketed to interested developers and appropriate public financing will be explored.
Timing Considerations	The marketability and feasibility study, including the alternative concept plans, will be completed in October 2006.

Trails and Greenspace Planning: This activity involves identifying portions of the site that lend themselves to supporting trails and greenspace. Trails and greenspace areas will enhance developed portions of the site and since compaction is generally not necessary for greenspace and trails development, overall site development costs can be better managed.

Possible Funding and Technical Assistance Sources	<ul style="list-style-type: none"> ✓ NPS – Rivers, Trails, and Conservation Assistance Program • PA DCNR
Recommended Approach	Involve David Lange of NPS in concept and feasibility planning and combine NPS planning assistance with the current marketability and feasibility study to lay out trails and greenspace components of the property as well as linkages to other transportation and recreational offerings in the community.
Next Steps	<ul style="list-style-type: none"> • Contact PA DCNR to identify which programs (e.g., acquisition/development grants, community grants, PA Recreational Trails Program) are applicable to the Cranberry Creek site. • Involve David Lange in marketability and feasibility study meetings held by the Cranberry Creek Board of Directors. • Investigate potential of linking trails on the site with larger trail development plans in the county and surrounding region.
Timing Considerations	<ul style="list-style-type: none"> • Though the NPS Technical Assistance cycle has passed for 2006, NPS has agreed to provide technical assistance to the project and participate in planning meetings. • Open application period for PA DCNR grants runs from May 6, 2006 through September 29, 2006.

Community Outreach and Engagement: This activity includes continuing community involvement activities and building on the successes of the community engagement process laid out by the Mine-Scarred Lands Initiative.

Possible Funding and Technical Assistance Sources	<ul style="list-style-type: none"> ✓ EPCAMR/OSM/VISTA – Technical assistance and expertise ✓ MSL Working Group- Community Engagement Plan
Recommended Approach	Using the Community Engagement Plan as a starting point, work with EPCAMR to discuss potential public outreach and education activities (e.g., including OSM/VISTA support) during the redevelopment process.
Next Steps	<ul style="list-style-type: none"> • Cranberry Creek Board of Directors to set up a meeting with EPCAMR personnel about the possibility of seeking an OSM/VISTA position for Cranberry Creek. • Determine if historical or tourism components could be included in the site redevelopment as EPCAMR has experience in these areas. • Continue to implement the community engagement plan created for the project.
Timing Considerations	Community outreach and engagement should occur throughout the duration of the Cranberry Creek project as described in the Cranberry Creek Community Engagement Plan. Technical assistance from the MSL working group will end in August, 2006.

Phase III: Redevelopment of the Site (QR 2, 2007 – QR 3, 2009)

The third phase involves actual construction activities related to infrastructure, building, and other development. While the specific composition of development components remains unspecified prior to completion of the feasibility study, a preliminary list of development components includes several important activities. In general, it is assumed that the Cranberry Creek Board of Directions will serve as the master planner and initial site preparation entity and that vertical development (e.g., residential and commercial facilities) will be performed by other private or public entities.

Site Access Road and Transportation Enhancements: Site access and transportation enhancements are necessary if the site is to achieve optimal reuse.

Possible Funding and Technical Assistance Sources	<ul style="list-style-type: none"> ✓ ARC – Access Road Funding for primary access ✓ HUD –BEDI/Section 108 Loan for road construction related to initial commercial/economic development program ✓ PA DCED – Infrastructure Development Program (IDP) for primary and secondary access through potential grants or loans ✓ PA DCED – Business In Our Sites Program Infrastructure Development Program for primary and secondary access through potential grants or loans ✓ PA Housing and Redevelopment Assistance Program
Recommended Approach	Integrate a blend of road construction related programs in support of specific development components (e.g., primary access, housing, commercial development) to offset private investment needs. Calculate overall funding needs assuming the availability of approximately \$250,000 in ARC access road funds and then pursue additional road construction and transportation enhancements through recommended funding programs.
Next Steps	<ul style="list-style-type: none"> • After completion of the feasibility analysis, conduct a meeting with Scott Dunkelberger at PA DCED to determine the composition of grant to loan funds that PA DCED would issue for the site given the proposed development. • Through pro forma analysis and developer interest, the Cranberry Creek Board should determine the need for grant versus a loan for pursuing the Business In Our Sites funding. • Meet with Luzerne County since the county would be the most likely entity to apply for funding with Housing and Redevelopment Assistance Program.

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	<ul style="list-style-type: none"> • Application for funding should be submitted for FY08 cycle (July 2007) with Housing and Redevelopment Assistance Program. • Identify the most immediate commercial/economic development component for the site to be funded through HUD's BEDI Program (coupled with HUD loan guarantee). • Follow up with NEPA to determine usability of ARC – Access Road Funding during the next fiscal year cycle (July 2007). • Make a presentation to NEPA representatives to identify the Cranberry Creek project as a potential funding priority.
Timing Considerations	<ul style="list-style-type: none"> • Meet with Luzerne County Community Development Department and HUD on the use of a Section 108 Loan Guarantee to finance road construction. • Application for funding should be submitted for FY08 cycle (July 2007) with Housing and Redevelopment Assistance Program. • Cranberry Creek project funding needs should be articulated through the NEPA input and funding decision-making process based on NEPA/ARC's funding calendar. NEPA/ARC funding priority meetings occur in June 2007. Presentation to NEPA representatives should occur in November 2006. • No set timeframes for PA DCED programs as applications are accepted on a rolling basis. Application submitted to DCED will be reviewed within 30 days. PA DCED loan terms vary but may be structured for up to 15 years.

Utility Construction: There will be numerous utility infrastructure needs for the site once the development plan is established. Utilities that need to be considered include, water, sewage, cable, and power.

Possible Funding and Technical Assistance Sources	<ul style="list-style-type: none"> ✓ HUD –BEDI/Section 108 Loan for utility construction related to initial commercial/economic development program ✓ PA DCED – Infrastructure Development Program ✓ PA DCED – Business In Our Sites Program ✓ PA Housing and Redevelopment Assistance Program for utility construction related to affordable housing options ✓ PENNVEST – Brownfields Remediation Funding • USDA – Community Facilities Program • PennDOT – Pennsylvania Infrastructure Bank (PIB)
Recommended Approach	Integrate a blend of utility construction related programs in support of specific development components (e.g., power to commercial development, housing) to offset private investment needs.
Next Steps	<ul style="list-style-type: none"> • After completion of the feasibility analysis, conduct a meeting with Scott Dunkelberger at PA DCED to determine the composition of grant to loan funds that PA DCED would issue for the site given the proposed development. • Through pro forma analysis and developer interest, the Cranberry Creek Board should determine the need for grant versus a loan for pursuing the Business In Our Sites funding. • Infrastructure Development Program may serve as gap financing during a transition period on the redevelopment. • Meet with Luzerne County since county would be the most likely entity to apply for funding with Housing and Redevelopment Assistance Program. • Meet with Luzerne County Community Development Department and HUD on the use of a Section 108 Loan Guarantee. • Apply for funding for FY08 cycle (July 2007) with Housing and Redevelopment Assistance Program. • Identify the most immediate commercial/economic development component for the site to be funded through HUD's BEDI Program (coupled with HUD loan guarantee). • If public facility construction (e.g., community center, library) is identified as a potential redevelopment option, investigate use of Community Facilities' Program loan, loan guarantee, or grant. • Investigate use of PIB loans for drainage structures and roadway improvements.

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Timing Considerations	<ul style="list-style-type: none"> • For the Housing and Redevelopment Assistance Program, if pre-application activities are completed at the end of 2006, a sound application can be developed and submitted by July 2007. • BEDI Applications are typically due in the May to July timeframe of each year. If application preparations are made beginning in November of 2006, a sound BEDI application can be developed and submitted in 2007. • No set timeframes for PA DCED programs as applications are accepted on a rolling basis. Application submitted to DCED will be reviewed within 30 days. • PENNVEST applicants will only apply for financing for projects that are expected to commence within three years of the date of the application. PENNVEST currently takes action on applications three times each year at Board meetings held in March, July and November. Applications are due 60 days prior to the date of the Board meeting. • No set timeframes for USDA program as pre-applications are accepted on a rolling basis.
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Recreational Facilities Development: The Cranberry Creek site will provide an opportunity to create valuable recreational facilities for the community. Aside from area golf courses, recreational facilities, including team sports facilities, are limited throughout the region.

Possible Funding and Technical Assistance Sources	<ul style="list-style-type: none"> ✓ USDA – Community Facilities Program • NPS – Rivers, Trails, and Conservation Assistance Program
Recommended Approach	Work with USDA representatives to identify appropriate applicant (non-profit or municipality) for Community Facilities Program and identify bank for loan administration.
Next Steps	<ul style="list-style-type: none"> • Follow Congressional appropriations to ensure funding is allocated for next fiscal year. • Discuss application with Luzerne County and CAN DO Foundation to determine appropriate applicant. • Work with David Lange to identify resources and assistance for trail development and greenspace conservation.
Timing Considerations	<ul style="list-style-type: none"> • NEPA/EDA funding priority meetings occur in June 2007. Presentation to NEPA representatives should occur in November 2006. • Utilize NPS Technical Assistance cycle for FY08. The national deadline for projects set to start the following fiscal year (October 1 through September 30) is August 1. Upon completion of the marketability and feasibility study, the Cranberry Creek project should identify the most efficient use of the technical assistance. • No set timeframes for USDA program as pre-applications are accepted on a rolling basis.

Trails and Greenspace Development: Using the concept plan which identified the placement of trails and greenspace, begin implementing development plans for these areas.

Possible Funding and Technical Assistance Sources	<ul style="list-style-type: none"> ✓ NPS – Rivers, Trails, and Conservation Assistance Program • PA DCNR • EPCAMR
Recommended Approach	Build upon relationship developed with NPS during the planning of trails and greenspace development to ensure technical assistance remains available. Contact David Lange at NPS to discuss technical assistance available.
Next Steps	<ul style="list-style-type: none"> • Contact PA DCNR to identify which programs (e.g., acquisition/development grants, community grants, PA Recreational Trails Program) are applicable to the Cranberry Creek site. • Investigate potential of linking trails on the site with larger trail development plans in the county and surround region. • Work with EPCAMR and other community groups to assist with planting and trail development.
Timing Considerations	<ul style="list-style-type: none"> • NPS has agreed to provide technical assistance to the project and participate in planning meetings during the current marketability and feasibility analysis stage. Utilize NPS Technical Assistance cycle for FY08. The national deadline for projects set to start the following fiscal year (October 1 through September 30) is August 1. Cranberry Creek project should wait until after the marketability

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	<p>and feasibility analysis is complete to identify the most efficient use of the technical assistance.</p> <ul style="list-style-type: none"> • Open application period for PA DCNR grants runs from May 6, 2006 through September 29, 2006.
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Commercial Development: The development plan will include commercial and retail options for the site. Commercial development could include office space, restaurants, conference space, and retail options.

Possible Funding and Technical Assistance Sources	<ul style="list-style-type: none"> • Private Developer • HUD BEDI/Section 108 • NEPA • EDA – Economic Adjustment Assistance Program • EDA – Public Works and Economic Facilities Program • New Markets Tax Credits
Recommended Approach	Use BEDI/Section 108 for most immediate commercial/economic development component and combine BEDI/Section 108 with private investment leveraged through New Markets Tax Credits (NMTC).
Next Steps	<ul style="list-style-type: none"> • Meet with Luzerne County officials to secure CDBG funds as collateral for Section 108 loan. • While applying for 108 loan, apply for BEDI Grant on the first portion of the site identified for redevelopment. • Make a presentation to NEPA representatives in November 2006 for FY08 funding priorities. • Investigate potential use of NMTCs by identifying a Community Development Entity (CDE): <ul style="list-style-type: none"> ▪ Three CDEs have identified PA a primary market for investing in projects. CDEs provide capital to brownfields redevelopment projects. The three CDEs include: <ul style="list-style-type: none"> - Chevron NMTC Fund, LLC from San Francisco, CA - Telesis CDE Corporation from Washington, DC - UA LLC from New York, NY • To satisfy EDA program requirements, cultivate entrepreneurship productivity into the site redevelopment plans. • Strengthen community component through use of the Cranberry Creek Community Engagement Plan to meet NEPA and EDA criteria.
Timing Considerations	<ul style="list-style-type: none"> • Upon completion of the marketability and feasibility analysis, identify the first portion of the site where redevelopment activities will occur. Successful BEDI applications use funds for activities on one portion/parcel at a time. A second Section 108 loan may be used for these activities, assuming Luzerne County CDBG funds are available. • Cranberry Creek project funding needs should be articulated through the NEPA input and funding decision-making process based on NEPA/EDA's funding calendar. NEPA/EDA funding priority meetings occur in June. Presentation to NEPA representatives should occur in the fall/winter of 2007 for 2008 project funding.

Residential and/or Housing Development: Community development will be enhanced with the planning of residential and housing development. Consideration will need to be placed on the targeted markets for this development.

Possible Funding and Technical Assistance Sources	<ul style="list-style-type: none"> • Private investment and residential developers • PA DCED – Housing and Redevelopment Assistance program
Recommended Approach	Determine the market for residential development including marketable housing types, number of units, average time of houses on the market, extent of housing supply in the area and the corresponding demand. Housing information combined with the results of the marketability and feasibility analysis will help determine likelihood of residential and/or housing development.
Next Steps	<ul style="list-style-type: none"> • Complete the site market and feasibility study. • Based on results of marketability and feasibility study, market the site to residential developers.

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Timing Considerations	If marketability and feasibility study reveals a demand for low or moderate income housing in the area and if this is a redevelopment option the Board would like to pursue, Housing and Redevelopment Assistance program could be utilized for the construction of new rental or homeownership. Program awards funds throughout the year although the beginning date for all contracts is July 1. All contracts are for a three-year period. July 2007 may be too aggressive of a deadline to pursue for this activity and Cranberry Creek project may wait until July 2008.
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4.0 Cranberry Creek Funding Matrix: Preliminary List of Potential Funding Sources

Funding & Technical Assistance Source (Federal)	Funding & Technical Assistance Levels	Eligible Entity	Eligible Activities	Funding Timeline	Restrictions	Program Facts & Additional Items	Initial Application Steps	Contact Information
<i>Economic Development Administration (EDA) – Public Works and Economic Facilities Program</i>	\$1 million grants	<ul style="list-style-type: none"> Economic Development Districts and cities Nonprofits 	<ul style="list-style-type: none"> Infrastructure Right of way access (Community must own the property or right of way) Site preparation 	Funding available for FY07 and FY08	<ul style="list-style-type: none"> No grants available to individuals 50/50 match required (match cannot come from another federal grant) 	NE PA district has priority projects already identified for current funding allocation	<ul style="list-style-type: none"> Pre-application to be filled out and submitted to Ed Hummel for review Second application is the full application 	<p>Brian Eckert 717-720-1400 breckert@state.pa.us</p> <p>Paul Raetsch EDA Regional Director 215-597-1063 praetsch@eda.doc.gov</p> <p>Ed Hummel PA EDA Rep. 215-597-6767 ehummel@eda.doc.gov</p>
<i>Economic Development Administration (EDA) – Economic Adjustment Assistance Program</i>	<ul style="list-style-type: none"> Varies by project Generally fund 50% of a project's cost 	Nonprofit organizations and state and local governments	<ul style="list-style-type: none"> Long-range economic development planning Development of public facilities and private enterprises to help create new, permanent jobs Economic adjustment projects in regions impacted by coal industry downsizing 	Proposals are accepted on a continuing basis and applications are invited and processed as received	Only applicable for geographic areas with: 1) An unemployment rate at least one percent greater than the national average unemployment rate; 2) per capita income that is 80% or less of the national per capita average income; or 3) a special need, as determined by EDA, arising from actual or threatened severe unemployment or economic adjustment problems	<ul style="list-style-type: none"> Program tends to focus on projects that are unique initiatives and/or special needs Strategy Investments help organize and carry out a planning process resulting in a Comprehensive Economic Development Strategy (CEDS) tailored to the community's specific economic problems and opportunities Implementation Investments support one or more activities identified in an EDA-approved CEDS 	<ul style="list-style-type: none"> Meet with Economic Development Representative or regional office representative to determine whether preparation of a project proposal is appropriate If appropriate, applicant would prepare a formal application 	<p>Brian Eckert 717-720-1400 breckert@state.pa.us</p> <p>Paul Raetsch EDA Regional Director 215-597-1063 praetsch@eda.doc.gov</p> <p>Ed Hummel PA EDA Rep. 215-597-6767 ehummel@eda.doc.gov</p>

Funding & Technical Assistance Source (Federal)	Funding & Technical Assistance Levels	Eligible Entity	Eligible Activities	Funding Timeline	Restrictions	Program Facts & Additional Items	Initial Application Steps	Contact Information
<i>Department of Housing and Urban Development (HUD) – Section 108 Loan Guarantee</i>	<ul style="list-style-type: none"> • \$4,385,920: Hazleton's 2006 allocation • \$25,656,030: Luzerne County's 2006 allocation 	Metropolitan cities and urban counties (CDBG entitlement recipients)	<ul style="list-style-type: none"> • Facilitate economic development, including assisting a for-profit developer • Acquisition in whole or in part of real property • Construction, reconstruction, or installation of public facilities and improvements (including streets, sidewalks, etc.) 	Cranberry Creek Gateway Park Project may apply once the current year's CDBG funding allocations are approved in the current year's federal budget; Maximum repayment period is 20 years	<ul style="list-style-type: none"> • HUD requires community's (i.e., Luzerne County) CDBG funds as collateral on the loan guarantee • Cranberry Creek Gateway Park Project must show how loan would be repaid if CDBG funds were unavailable (other sources of financing for the project, site appraisals, etc.) 	<ul style="list-style-type: none"> • Non-competitive program • Can be used independently of BEDI • Provides confidence to private lenders when issuing loans • 108 funds can be used by an investor organization as equity to invest in a CDE • Project must meet at least one CDBG national objective: 1) benefit low- and moderate-income persons; 2) eliminate slums or blight; or 3) address imminent threats and urgent needs 	<ul style="list-style-type: none"> • Contact local HUD office • No "formal" application forms • After consulting with the local HUD office and the preparation of the final application, the local office will conduct a "due diligence and compliance review" 	<p>Paul Webster HUD Section 108 Director 202-708-1871 Paul.Webster@hud.gov</p> <p>Andrea Edwards Spence Regional Contact for BEDI and 108 215-656-0626 andrea_edwards-spence@hud.gov</p>
<i>Department of Housing and Urban Development (HUD) – Brownfields Economic Development Initiative (BEDI) Grant</i>	\$10 million allocated nationally for 2006 with maximum of \$1 million award per applicant	<ul style="list-style-type: none"> • CDBG entitlement and non-entitlement communities eligible to receive Section 108 • Applicant must be a unit of local government • Luzerne County and City of Hazleton may apply jointly 	<ul style="list-style-type: none"> • Facilitate economic development, including assisting a for-profit developer • Acquisition in whole or in part of real property • Construction, reconstruction, or installation of public facilities and improvements (including streets, sidewalks, etc.) 	Applications must be received by June 15 th	<ul style="list-style-type: none"> • Can only be used in conjunction with Section 108 loan guarantee • Minimum Section 108-to-BEDI ratio of 1:1 (higher ratio demonstrated by applicant will be scored higher) 	<ul style="list-style-type: none"> • Cranberry Creek Gateway Park Project should focus on one portion or site of the overall project with each application • Project must meet at least one CDBG national objective: 1) benefit low- and moderate-income persons; 2) eliminate of slums or blight; or 3) address imminent threats and urgent needs 	<ul style="list-style-type: none"> • Cranberry Creek project would work with local HUD office on BEDI grant • Request for a new Section 108 loan guarantee authority must accompany each BEDI application 	<p>David Kaminsky HUD BEDI Specialist 202-708-0614 x4612 David.Kaminsky@hud.gov</p> <p>Andrea Edwards Spence Regional Contact for BEDI and 108 215-656-0626 andrea_edwards-spence@hud.gov</p>

Funding & Technical Assistance Source (Federal)	Funding & Technical Assistance Levels	Eligible Entity	Eligible Activities	Funding Timeline	Restrictions	Program Facts & Additional Items	Initial Application Steps	Contact Information
<i>Appalachian Regional Commission (ARC) – General Funding</i>	Approximately \$200-250K per local development district	State and local agencies, government entities, and nonprofit organizations	Funds are awarded to projects that focus activities on one of four strategic plan goals for the Appalachia region identified by ARC: 1) increase job opportunities; 2) strengthen the capacity of the people; 3) develop and improve infrastructure; or 4) build the Appalachian Development Highway System	Cranberry Creek Gateway Park Project should focus applications on July/August 2007 funding	Cranberry Creek Gateway Park Project has to line up a 50:50 match ratio for funds	<ul style="list-style-type: none"> • Projects need to be completed in conjunction with other agencies • Projects go through an in-depth ranking process during evaluation • Northeastern Pennsylvania Alliance (NEPA) identifies projects and submits project rankings for the Hazleton area for ARC; Cranberry Creek Project should work closely with NEPA 	Contact the state ARC program manager (Neil Fowler) to request a pre-application package	<p>Eric Stockton ARC 202-884-7752 estockton@arc.gov</p> <p>Neil Fowler Dir. Appalachian Dev. Center 717-214-5395 nfowler@state.pa.us</p> <p>Tom Pelligrini NEPA 570-655-5881 x241 tpellegri@nepa-alliance.org</p>
<i>Appalachian Regional Commission (ARC) – Access Road Funding</i>	Approximately 4 projects per year at \$250K each	State and local agencies, government entities, and nonprofit organizations	Funds are awarded for road planning and construction, including recreational, residential, and commercial road use	Cranberry Creek Gateway Park Project should focus applications on July/August 2007 funding	Cranberry Creek Gateway Park Project has to line up a 80:20 match ratio for funds (with ARC funding the 80% portion)	<ul style="list-style-type: none"> • Same ranking process as general funding, but not as competitive • Cranberry Creek Gateway Park Project needs to engage PA DOT for this application • Northeastern Pennsylvania Alliance (NEPA) identifies projects and submits project rankings for the Hazleton area for ARC; Cranberry Creek Gateway Park Project should work closely with NEPA 	<ul style="list-style-type: none"> • Projects can only be submitted to ARC by the state member of ARC • ARC's Transportation staff review local access road project submissions and make recommendations to the ARC's Federal Co-Chair 	<p>Eric Stockton ARC 202-884-7752 estockton@arc.gov</p> <p>Neil Fowler Dir. Appalachian Dev. Center 717-214-5395 nfowler@state.pa.us</p> <p>Tom Pelligrini NEPA 570-655-5881 x241 tpellegri@nepa-alliance.org</p>

Funding & Technical Assistance Source (Federal)	Funding & Technical Assistance Levels	Eligible Entity	Eligible Activities	Funding Timeline	Restrictions	Program Facts & Additional Items	Initial Application Steps	Contact Information
<i>U.S. Department of Agriculture (USDA) – Business & Industry Guaranteed Loan Program*</i>	Maximum loan guarantee is \$25 million up to 80% of a loan	Corporations, partnerships, nonprofit entities, municipalities, counties, or other local governments	Buildings and real estate	N/A	Business is judged on a scoring system (minimum number of jobs created is not a requirement)	<ul style="list-style-type: none"> • Applicant applies directly to the participating bank • USDA coordinates with the banker for the loan • Multiple banks participate in this program; USDA contacts are available to provide names of specific banks • Program may lower the interest rate and lengthens the term of the loan for the applicant 	<ul style="list-style-type: none"> • Rural Development forms found online at http://www.sc.egov.usda.gov/ • For information on which forms to fill out, contact Mike or Linda at Wyoming Local Office, Tunkhannock, PA 	<p>Mike Angerson Rural Development Specialist 570-836-4157 x118 Michael.Angerson@pa.usda.gov</p> <p>Linda Taylor Rural Development Manager 570-836-4157 x120 Linda.Taylor@pa.usda.gov</p>
<i>U.S. Department of Agriculture (USDA) – Rural Business Opportunity Grant Program</i>	Average maximum of \$50K per applicant	Public entity or nonprofit corporations	Primarily available to conduct regional and community economic development planning and related training, including marketability and feasibility studies	N/A	N/A	<ul style="list-style-type: none"> • Program would only assist small and emerging businesses • Cranberry Creek Gateway Park Project must have significant expertise in the activities it proposes to carry out with the grant funds 	<ul style="list-style-type: none"> • Rural Development forms found online at http://www.sc.egov.usda.gov/ • For information on which forms to fill out, contact Mike or Linda at Wyoming Local Office, Tunkhannock, PA 	<p>Mike Angerson Rural Development Specialist 570-836-4157 x118 Michael.Angerson@pa.usda.gov</p> <p>Linda Taylor Rural Development Manager 570-836-4157 x120 Linda.Taylor@pa.usda.gov</p>

**USDA programs more applicable to CAN DO*

Funding & Technical Assistance Source (Federal)	Funding & Technical Assistance Levels	Eligible Entity	Eligible Activities	Funding Timeline	Restrictions	Program Facts & Additional Items	Initial Application Steps	Contact Information
<i>U.S. Department of Agriculture (USDA) – Rural Business Enterprise Grant Program*</i>	Maximum of \$99K per applicant	Nonprofits, local governments, public agencies	<ul style="list-style-type: none"> To facilitate the development of small and emerging for-profit and nonprofit small businesses Grants may be used for funding infrastructure development, including roads, utility extensions, and water supply 	After pre-application is submitted, USDA will determine eligibility and inform Cranberry Creek Gateway Park Project to assemble and submit formal application	Small and emerging businesses must have fewer than 50 employees and less than \$1 million in revenue	Program would only assist small and emerging businesses	<ul style="list-style-type: none"> Rural Development forms found online at http://www.sc.egov.usda.gov/ For information on which forms to fill out, contact Mike or Linda at Wyoming Local Office, Tunkhannock, PA 	<p>Mike Angerson Rural Development Specialist 570-836-4157 x118 Michael.Angerson@pa.usda.gov</p> <p>Linda Taylor Rural Development Manager 570-836-4157 x120 Linda.Taylor@pa.usda.gov</p>
<i>U.S. Department of Agriculture (USDA) – Intermediary Relending Program (IRP)*</i>	PA received \$500K in FY04 for distribution as loans	Private nonprofit corporations and public agencies	Buildings and real estate	N/A	<ul style="list-style-type: none"> All of the IRP loan funds received by an intermediary must be re-loaned to ultimate recipients All loans to intermediaries must be adequately secured 	<ul style="list-style-type: none"> Program capitalizes locally-run revolving loan funds for small businesses; Cranberry Creek Gateway Park Project could be the administrator of the RLF Excellent way of assisting small businesses or business incubators Loans to intermediaries are scheduled for repayment over a period of up to 30 years Interest rates on loans is 1% annually 	<ul style="list-style-type: none"> Rural Development forms found online at http://www.sc.egov.usda.gov/ For information on which forms to fill out, contact Mike or Linda at Wyoming Local Office, Tunkhannock, PA 	<p>Mike Angerson Rural Development Specialist 570-836-4157 x118 Michael.Angerson@pa.usda.gov</p> <p>Linda Taylor Rural Development Manager 570-836-4157 x120 Linda.Taylor@pa.usda.gov</p>
<i>U.S. Department of Treasury: New Markets Tax Credits (NMTC) Program</i>	Varies by applicant	Certified Community Development Entity (CDE)	<ul style="list-style-type: none"> Land acquisition Site preparation Construction Infrastructure 	NMTC applications due in September	Must serve, or provide investment capital, for low-income communities	<ul style="list-style-type: none"> CDE receives an allocation of tax credits and CDE secures investors CDE uses investor equity to make investments in low-income investments 	Identify potential CDEs investing in projects in PA	<p>NMTC Support Line 202-622-6355 http://www.cdfifund.gov/what_we_do/overview.asp</p>

**USDA programs more applicable to CAN DO*

Funding & Technical Assistance Source (Federal)	Funding & Technical Assistance Levels	Eligible Entity	Eligible Activities	Funding Timeline	Restrictions	Program Facts & Additional Items	Initial Application Steps	Contact Information
<i>Department of Interior (DOI) – National Park Service: Rivers, Trails, and Conservation Assistance (RTCA) Program</i>	Technical assistance and trail planning support	Nonprofit or government entities	<ul style="list-style-type: none"> Assist with regional recreational planning Opportunities may exist to make linkages with Cranberry Creek site and 2004 Luzerne County Open Space and Greenway Plan 	RTCA receives applications in August and makes decisions in Sept./Oct. for support during that fiscal year	Technical assistance support	<ul style="list-style-type: none"> RTCA may be able to commit staff consultation resources during the upcoming marketability assessment process without completing formal application process Should try to tie the recreational and greenspace aspects of the site into the community 	<ul style="list-style-type: none"> Application instructions on RTCA web site: http://www.nps.gov/ncrc/program/s/rta/contactus/cu_apply_details.html Contact David Lange for possible staff consultation resources 	<p>David Lange RTCA Program Manager 215-597-6477 david_a_lange@nps.gov</p> <p>Ruth Lodder DOI Office of Environmental Policy and Compliance Ruth_Lodder@ios.doi.gov</p>
<i>Department of Interior (DOI) – Office of Surface Mining: Clean Streams Initiative</i>	State Reclamation Grants of various amounts	Nonprofit organizations, especially small watershed groups	Projects that eliminate acid mine drainage from abandoned coal mines	Applications accepted until all available funds are awarded	Federal, state, and local governments are not eligible to receive funding directly	Applicants must have financial management and internal control systems adequate to manage federal funds	Download an application fact sheet (SF-424 Form) from OSM web site	<p>T. Allan Comp, Ph.D. 202-208-2836 TCOMP@osmre.gov</p> <p>David Hamilton Clean Streams Coordinator 717-782-2285 x15 dhamil@osmre.gov</p>
<i>Department of Interior (DOI) – Office of Surface Mining: OSM/VISTA Watershed Development Team</i>	Full-time OSM/VISTA position	Local watershed groups	<ul style="list-style-type: none"> Organize water quality monitoring Community outreach and awareness Engage in economic revitalization efforts Assist in finding funding for revitalization efforts 	N/A	<ul style="list-style-type: none"> Non-federal cost-share required (\$5500) Sponsoring organization must demonstrate its capacity for effective supervision and support of OSM/VISTA and adherence to the Core Goals for OSM/VISTA 	OSM/VISTA position is for 3 years	Complete extensive VISTA application that documents the poverty of the watershed, the support of local agencies, adherence to Core Goals for OSM/VISTA Team, and a work plan	<p>T. Allan Comp, Ph.D. 202-208-2836 TCOMP@osmre.gov</p>

Funding & Technical Assistance Source (State)	Funding & Technical Assistance Levels	Eligible Entity	Eligible Activities	Funding Timeline	Restrictions	Program Facts & Additional Items	Initial Application Steps	Contact Information
<i>PA Business Assistance Programs: Industrial Sites Reuse Program</i>	<ul style="list-style-type: none"> • Grants and loans up to \$200K for environmental assessments • Grants and loans up to \$1 million for remediation 	<ul style="list-style-type: none"> • Public entities • Private nonprofit economic development groups 	<ul style="list-style-type: none"> • Reuse and redevelopment of former industrial land and sites • Phase I, II and III environmental assessments • Remediation of hazardous substances 	Rolling applications	<ul style="list-style-type: none"> • A 25% match is required for grant and loan projects • Interest rates of 2% up to 5 years for assessments and 15 years for remediation projects 	<ul style="list-style-type: none"> • Cranberry Creek Gateway Park Project should highlight Hazleton's distressed climate • As Governor is prioritizing this type of reuse, Cranberry Creek Gateway Park Project should highlight that the site is a brownfield and mine-scarred land • Program administered through PA Dep. Of Community and Economic Development who was an initial project stakeholder 	<ul style="list-style-type: none"> • Cranberry Creek Gateway Park Project must submit a Letter of Intent (LOI) to PA DCED • www.newPA.com 	Scott Dunkelberger PA DCED 717-787-7120 sdunkel@doc.state.pa.us
<i>PA Business Assistance Programs: Infrastructure Development Program (IDP)</i>	Loans and grants up to \$1.25 million	Municipalities, industrial development authorities, or local development districts may apply on behalf of eligible private companies engaged in: <ul style="list-style-type: none"> • Agriculture • Industrial • Manufacturing • Research and Development • Export companies 	<ul style="list-style-type: none"> • Public and private infrastructure improvements, including water and sewer systems • Transportation facilities • Land remediation 	Application submitted to DCED will be reviewed within 30 days	<ul style="list-style-type: none"> • Loans at 3% interest rate (up to 15 year term) for eligible privately-owned infrastructure improvements • 2:1 private to public match required • \$25,000 cost per job to be created within 5 years or 10 new full-time equivalent jobs (whichever is greater) 	<ul style="list-style-type: none"> • Cranberry Creek Gateway Park Project should highlight Hazleton's distressed climate • As Governor is prioritizing this type of reuse, Cranberry Creek Gateway Park Project should highlight that the site is a brownfield and mine-scarred land • Program administered through PA Dept. of Community and Economic Development who was an initial project stakeholder 	<ul style="list-style-type: none"> • Cranberry Creek Gateway Park Project can apply through the local Redevelopment Authority, Municipality, or Development District • www.newPA.com 	Scott Dunkelberger PA DCED 717-787-7120 sdunkel@doc.state.pa.us

Funding & Technical Assistance Source (State)	Funding & Technical Assistance Levels	Eligible Entity	Eligible Activities	Funding Timeline	Restrictions	Program Facts & Additional Items	Initial Application Steps	Contact Information
<i>PA Business Assistance Programs: PA Economic Development Financing Authority (PEDFA) Taxable and Exempt Bond Program</i>	Business development for projects requiring a minimum of \$400K	Non-taxable funding for manufacturing and nonprofits	<ul style="list-style-type: none"> • Land acquisition • New construction • Tax-exempt bond refinancing 	PEDFA Board meets to review projects in Jan, March, May, July, Sept., and Nov.	<ul style="list-style-type: none"> • Loans through bond issue • Weekly variable rate tied to market for tax-exempt bonds • Up to 30-year term • Borrower must secure letter of credit from bank • \$500 application fee (to be credited against the issuance fee when project closes) 	<ul style="list-style-type: none"> • Cranberry Creek Gateway Park Project should highlight Hazleton's distressed climate • As Governor is prioritizing this type of reuse, Cranberry Creek Gateway Park Project should highlight that the site is a brownfield and mine-scarred land • Program administered through PA Dept. of Community and Economic Development who was an initial project stakeholder 	<ul style="list-style-type: none"> • All applications submitted by Industrial Development Authority or Corporation to PEDFA Board • www.newPA.com 	Scott Dunkelberger PA DCED 717-787-7120 sdunkel@doc.state.pa.us
<i>PA Business Assistance Programs: Business In Our Sites</i>	<ul style="list-style-type: none"> • Grant and loans for construction • No minimum or maximum • \$300 million program pool 	<ul style="list-style-type: none"> • Communities • Developers (for construction loans only) 	<ul style="list-style-type: none"> • All site development and infrastructure activities required to make a site shovel-ready (including grading, infrastructure, municipal services, etc.) • Planning grants 	Applications received on first Wednesday of the month for Commonwealth Financing Authority Board consideration	<ul style="list-style-type: none"> • Grants may not exceed 50% of the total amount of the financing provided, or \$5 million, whichever is less • Must get loan before grant will be considered • Single project funding cannot exceed 15% of the funds available for the program 	<ul style="list-style-type: none"> • Program is available to build an inventory of ready sites, or "spec" properties (not for primary residential or recreational purposes) • No repayment on loans required until property is sold or leased. 	Single application through www.newPA.com	Scott Dunkelberger PA DCED 717-787-7120 sdunkel@doc.state.pa.us

Funding & Technical Assistance Source (State)	Funding & Technical Assistance Levels	Eligible Entity	Eligible Activities	Funding Timeline	Restrictions	Program Facts & Additional Items	Initial Application Steps	Contact Information
<i>Housing & Redevelopment Assistance Program</i>	<ul style="list-style-type: none"> • Typical grants average between \$150K and \$200K • No minimum or maximum • \$30 million budget in 2005 	<ul style="list-style-type: none"> • Local governments • Redevelopment Authorities • Housing Authorities • Nonprofits 	<ul style="list-style-type: none"> • Community revitalization • Economic development • Infrastructure improvement 	Rolling applications	If funds are used for sewer or water system activities, all properties in the area must be tapped into the system	<ul style="list-style-type: none"> • Funding can also be used for gap financing for projects • Important to demonstrate strong community support for this project before applying 	Single application through www.newPA.com	<p>Mike Morin PA DCED 570-963-4597 mmorin@state.pa.us</p> <p>Cindy Campbell PA DCED Ccampbell@state.pa.us</p>
<i>PA Bureau of Abandoned Mines Reclamation (BAMR)</i>	Funds for site reclamation activities	N/A	N/A	Tentatively scheduled to begin activities in July, 2006 at Cranberry Creek site	N/A	N/A	N/A	<p>Mike Ferko BAMR District Engineer 570-826-5486 mferko@state.pa.us</p>
<i>Eastern Pennsylvania Coalition for Abandoned Mine Reclamation (EPCAMR)</i>	Several areas of non-financial support	CAN DO	<ul style="list-style-type: none"> • Developing innovative drainage techniques and designs for the site • Community outreach (including local schools) • OSM/VISTA position • GIS mapping 	Cranberry Creek Gateway Park Project would need to work with EPCAMR on the timelines for re-assigning an OSM/VISTA position to Cranberry Creek	<ul style="list-style-type: none"> • For OSM/VISTA Volunteer, Cranberry Creek Gateway Park Project would need to help with federal cost share 	Depending on the redevelopment type, EPCAMR may also be able to advise the project on incorporating educational, historical, or tourism features into the site	N/A	<p>Robert Hughes rhughes@epcamr.org 570-674-7993</p>

5.0 Program Funding Examples

Four real-world examples of projects that have utilized various federal funding sources are provided to help illustrate how project stakeholders addressed redevelopment financing needs.

HUD Section 108 Funds:

	Bucks County, PA Dial Corporation	Wheeling, WV Stamping Building
<i>Section 108 amount</i>	\$2.5 million	\$2.25 million Section 108 & \$1 million BEDI
<i>Purpose of Loan</i>	Property acquisition	Interim construction financing
<i>Parties</i>	<ul style="list-style-type: none"> • Bucks County Community & Business Development Dept. • Redevelopment Authority of Bucks County (RABC) • Preferred Real Estate LP 	<ul style="list-style-type: none"> • City of Wheeling • Regional Economic Development Partnership (REDP)
<i>Nature of Deal</i>	<ul style="list-style-type: none"> • Bucks County transferred administrative tasks (collection of payments, etc.) for its \$2.25 million Section 108 to RABC. RABC did not enter into a loan agreement with the County • Preferred Real Estate LP entered into a loan agreement with the County to use the Section 108 funding and RABC administered loan • Loaned the same \$2.5 million to Preferred Real Estate to buy the Dial Corporation property from RABC • Preferred Real Estate could have entered deal directly with the County if they wanted but since RABC typically administers the County programs, they dealt with them instead 	<ul style="list-style-type: none"> • City of Wheeling “re-loaned” Section 108 to REDP. REDP entered into a loan agreement with City that mirrored its loan with HUD • Original term for REDP to pay back City was 20 years with variable interest rate until bonds sold. Rate based on 10-year Treasury note (+/- 0.5 %) • Although a 20-year term, REDP paid back the City in about 3 years using its \$3 million infrastructure loan from the State of West Virginia. When it secured Section 108 loan with City, REDP had other loans in place but the WV loan could not be used up front for construction, so REDP used Section 108 for interim construction financing and when construction was half complete then could use WV loan to pay back City Section 108
<i>Payback Terms</i>	Preferred Real Estate: <ul style="list-style-type: none"> • 10 year term: First 4 years interest only; Can pay in full in 4 years • If over 4 years, have to keep for 10 	City of Wheeling: <ul style="list-style-type: none"> • 20 year term • Annual principle of \$100,000 at first

HUD collateral for party borrowing from local government or administrator:

HUD requires security from the borrower and/or the local government to adequately collateralize the loan. If the third party borrower's loan to value ratio is less than .80, or its debt service ratio is less than 1.15, HUD will always require additional collateral, either from the business, individuals, or from the local government. Depending on the activity or project, HUD may require additional collateral from "deals" that meet these ratio thresholds. If a local government fully supports a project questioned by HUD, it may always pledge real estate, specific revenue streams (tax increment, sales tax, etc.), or the full faith and credit of the local government as collateral. Terms for third party loans are typically matched to the useful life of the collateral, with up to 20 years on real estate.

HUD Section 108 Interest Rates:

Interest on the loan from HUD to the local government is pegged to yields on U.S. Treasury obligations of similar maturity to the principal amount. A small additional basis point spread, depending on maturity, will be added to the Treasury yield to determine the actual rate. This interest rate typically runs 0.5% above treasury obligations of comparable maturity. Each annual principal amount will have a separate interest rate based on the obligation that must be retired by HUD that year.

If the local government or its administrator is loaning the funds to another party for interim financing, the local government/administrator may add an additional spread to the loan rate to cover servicing costs over the life of the loan as well as require the borrower to pay the loan closing costs and other local government administrative costs. These costs can be included in the loan. Typically, interest rates on interim borrowing are priced at the three-month London Interbank Offered Rate (LIBOR) plus 20 basis points (0.2%).

USDA Intermediary Relending Program:

	Central Oregon Intergovernmental Program (COIC)
<i>Loan amount</i>	COIC manages a \$2.9 million USDA Intermediary Relending Program (IRP)
<i>Purposes of Loan</i>	COIC Business Loan Department manages business loan programs throughout Central, South Central and North Central Oregon that provide term financing to small businesses for projects that create new jobs or retain existing jobs. Loan funds can be used to purchase or build new facilities, purchase equipment or provide working capital.
<i>Parties</i>	<ul style="list-style-type: none">• COIC serves Crook, Deschutes, and Jefferson counties• COIC serves the Cities of Bend, Culver, Madras, Metolius, Prineville, Redmond, and Sisters• The 15-member board is made up of elected officials appointed by each of the member governments and appointed representatives of key economic sectors – business and industry, tourism and recreation, agribusiness and agriculture, timber and wood products, and the unemployed/underemployed

<i>Nature of Deal</i>	<ul style="list-style-type: none"> • The IRP offers loans of up to \$150,000 or 75% of the total project for a variety of uses including building construction, land acquisition, machinery and equipment, and permanent working capital • IRP borrowers ("intermediaries") must place the IRP loan proceeds in an RLF for re-lending to eligible, rural businesses, and community groups ("ultimate recipients")
<i>Example of a COIC Deal</i>	<p>Diesel Power NW ("ultimate recipient") in Prineville, OR:</p> <ul style="list-style-type: none"> • Owner wanted to open a new facility • Owner received a \$184,000 loan from the bank, and was then referred to the COIC IRP • Owner received a \$123,800 IRP loan which rounded out the financing package for Diesel Power NW to relocate to a new 5-acre site
<i>Payback Terms</i>	1% fixed rate, 30 years, fully amortized (though interest-only payments may be permitted for the first 3 years)

ARC General Funding Grants:

	Information Technology in West Virginia
<i>Grant amount</i>	Upper Kanawha Valley Economic Development Corporation, Inc., received a \$1 million ARC grant
<i>Purposes of Grant</i>	To assist with the construction of Montgomery Technology Community Project Phase I, a technology business center, which consisted of the demolition of some existing buildings, the construction of a 35,000-square-foot, three-story, technology-ready office building, and the acquisition of three smaller buildings. The Montgomery Technology Community includes the housing of high-tech jobs and related industry; the creation of high-technology training and development center for industries related to the expertise of West Virginia University Tech; and the servicing of government and private research and development contracts in the same selected areas of expertise.
<i>Parties</i>	<ul style="list-style-type: none"> • ARC • Upper Kanawha Valley Economic Development Corporation, Inc., a nonprofit corporation
<i>Nature of Deal</i>	<ul style="list-style-type: none"> • This ARC grant helped the organization leverage \$1,325,500 from the Economic Development Administration; \$575,000 in the loan from the State of West Virginia, and \$300,000 from the grantee for a total investment of \$3,200,000.